



Administrative Bulletin 2014-1

To: All Minnesota Health Plan Companies
From: Minnesota Departments of Health and Commerce and MNsure
Subject: Health Plan Filings in 2014 for Plan Year 2015
Date: April 15, 2014

The purpose of this bulletin is to outline the requirements for health plan filings submitted in 2014 for medical plans and dental plans to be offered, sold, issued or renewed in Minnesota for effective dates on or after January 1, 2015 ("Plan Year 2015"). This bulletin applies to all health carriers authorized to write policies in this state.

Although this bulletin focuses on the new statutory and certification requirements for policies issued after January 1, 2015, the Minnesota Department of Commerce and Department of Health (the "Departments") along with MNsure will continue to review health plan filings to ensure full compliance with all applicable state and federal requirements, including Minnesota law and the Affordable Care Act ("ACA") as defined in Minnesota Statute section 62A.011, subdivision 1a.

I. Health Plan Requirements

A. Market Rules

The "Minnesota Health Plan Market Rules" ("Market Rules") outlined in Minnesota Statutes chapter 62K, passed by the legislature and signed into law in 2013, set forth the requirements applicable to individual and small group health plans offered, sold, issued, or renewed in Minnesota for effective dates beginning January 1, 2015. Unless otherwise exempted within chapter 62K, the Market Rules requirements apply to all individual and small group health plans (whether offered either outside or inside of MNsure). Health plans meeting the requirements outlined in chapter 62K are also eligible to be certified and to be offered through MNsure, Minnesota's health insurance exchange.

For 2015 plans, health carriers are encouraged to refer to the detailed language in chapter 62K in preparing their filings. Filings will be reviewed to ensure that the following specific requirements are met:

- Metal Level Mandatory Offerings. Section 62K.06 requires health carriers to justify actuarial value levels as specified in section 1302(d) of the Affordable Care Act for all individual and small group health plans offered inside and outside of MNsure. In addition, a health carrier that offers a catastrophic plan or a bronze level health plan within a service area in either the individual or small group market must also offer a silver

level and a gold level health plan in that market and within that service area. *The Department of Commerce will enforce this requirement.*

- Marketing Standards. Section 62K.08 directs health carriers to comply with all state laws regarding the marketing of individual or small group health plans. Health carriers' marketing practices and benefit designs cannot have the effect of discouraging enrollment of individuals with significant health needs in the health plan, and no marketing materials may lead consumers to believe that all of their health care needs will be covered. *The Department of Commerce will enforce this requirement.*
- Geographic Accessibility; Provider Network Adequacy. Section 62K.10 establishes certain requirements for health carriers that either require an enrollee to use or that create incentives for an enrollee to use a particular network of health care providers.

“Geographic accessibility” requires the health plan to establish provider networks so that the maximum travel distance or time for an enrollee to the nearest primary care, mental health or general hospital services to be the lesser of 30 miles or 30 minutes. In addition, the maximum travel distance or time for an enrollee to specialty physician services, ancillary services, specialized hospital services, or other types of services must be the lesser of 60 miles or 60 minutes.

“Network adequacy” requires health carriers to include a sufficient number of providers within the network and that covered services are available to all enrollees without unreasonable delay.

Waivers are available if a carrier can demonstrate that they are unable to meet the statutory requirements of 62K.10. *The Department of Health will enforce this requirement.*

- Quality Assurance and Improvement. Section 62K.12 requires health carriers to have a written internal quality assurance and improvement program that meets the minimum standards listed in 62K.12, subdivision 1(a)(1-6). Under subdivision 3, a carrier that is accredited by URAC for network management, quality improvement, credentialing, member protection and utilization management, or has an excellent or commendable level ranking from NCQA, will be deemed to be in compliance with subdivision 1. The Department of Health (MDH) will provide more detailed instructions for health carriers not currently accredited by NCQA or URAC for satisfying this provision for Plan Year 2015. *The Department of Health will enforce this requirement.*
- Service Area Requirements. Section 62K.13 specifies that health carriers must offer each individual or small group health plan in a service area that is at least the entire geographic area of a county. If a health carrier requests to serve less than the entire county, the request must include specific data demonstrating that the service area is not discriminatory, is necessary, and is in the best interest of enrollees. *The Department of Health will enforce this requirement.*

- Limited-Scope Pediatric Dental Plans. Section 62K.14 outlines the standards that must be met for limited-scope pediatric dental plans. Specifically, limited-scope pediatric dental plans must be offered on a guaranteed issue and guaranteed renewable basis, with premiums rated on allowable rating factors used for health plans. Limited-scope pediatric dental plans may not include any exclusions or limitations based on preexisting conditions. *The Department of Commerce will enforce this requirement.*
In addition, limited-scope pediatric dental plans must ensure primary care dental services are available within 60 miles or 60 minutes travel time to providers for all enrollees in the service area. *The Department of Health will enforce this requirement.*

Limited-scope pediatric dental plans must also comply with Minnesota Statutes sections 62K.07, 62K.08, 62K.13, and 62K.15.

- Annual Open Enrollment Periods. Section 62K.15, paragraph (b) states that health carriers offering individual plans must limit annual enrollment in the individual market to the annual open enrollment periods for MNsure. Health carriers offering individual health plans must inform all applicants at the time of application and enrollees at least annually of the open and special enrollment periods as defined under the Affordable Care Act. Applications, contracts or certificates of coverage filed with the Departments will be reviewed to ensure any notifications provided within the filed documents meet the requirements of state and federal law.

B. Additional Requirements for Certification as MNsure Qualified Health Plans

As described in Minnesota Statutes section 62V.05, a health plan must meet additional requirements as of January 1, 2015 to be eligible for certification as a qualified health plan (“QHP”) offered through MNsure during the open enrollment period beginning November 15, 2014. In preparing the filings to be submitted in 2014, health carriers should note the following requirements under section 62V.05, subdivision 5:

- The health carrier applying to offer the health plan through MNsure must also apply to offer health plans at each actuarial value level (metal level) in each service area that the health carrier currently offers coverage in the individual and small group markets outside of MNsure.
- The health carrier must not apply to offer health plans through MNsure under a separate license of a parent organization or holding company under Minnesota Statutes section [60D.15](#) than the license under which the carrier offers health plans in the individual and small group markets outside of MNsure.

- The health carrier must use the most current addendum for Indian health care providers approved by the Centers for Medicare and Medicaid Services and the tribes as part of their contracts with Indian health care providers.¹

As described in Minnesota Statutes chapter 62K.09, subdivision 2, a health carrier offering a plan through MNsure must take the first step of the accreditation process during the first year in which it offers a QHP. A health carrier currently offering QHPs on MNsure must provide evidence of having begun the accreditation process as part of the certification process for Plan Year 2015.

Health carriers currently offering QHPs through MNsure that were approved and certified in 2013 will need to update any health plans they wish to continue offering during the next open enrollment period. These plans will need to be re-certified for continued sale through MNsure.

QHP issuers are also required to comply with the relevant sections of 45 C.F.R. Parts 155 and 156.

II. Filing process

The Departments recognize the need for specification of the filings requirements.

- As in 2013, rate and form filings submitted in 2014 for both commercial insurers and health maintenance organizations (HMOs) should be submitted to and will be reviewed via the System for Electronic Rate and Form Filing (SERFF).
- Network filings, including any network updates, should be filed directly with MDH. For detailed network filing information, please see instructions posted at <http://www.health.state.mn.us/divs/hpsc/mcs/>.

Complete product filings in SERFF should include, but may not be limited to the following:

Rate and Form filings

1. The Actuarial Memorandum on the Supporting Documentation (SD) tab containing all relevant information in one PDF document
2. The Unified Rate Review Template (SD) in Excel
3. An **unzipped PDF copy** of the rates from the Rate Data Template on the Rate (R) tab
4. Forms (F), including (as applicable) the Master Group Contract, Certificate of Coverage, and Application associated with the plans

¹ See http://www.cms.gov/CCIIO/Programs-and-Initiatives/Files/Downloads/Model_QHP_Addendum_Explanatory_Document_04_04_13.pdf and http://www.cms.gov/CCIIO/Programs-and-Initiatives/Files/Downloads/Model_QHP_Addendum_04_04_13.pdf.

Binders

1. The Actuarial Memorandum that matches one provided in the rate filing
2. Unified Rate Review Template in Excel that matches one provided in the rate filing
3. Rate Data Template
4. Plans & Benefits Template
5. Summaries of Benefits & Coverage for each plan
6. Service Area Template
7. Business Rules Template (for on-exchange only)
8. Administrative Data Template (for on-exchange only)

Detailed guidance related to demonstrating compliance with accreditation standards (62K.09) and quality assurance and improvement standards (62K.12) will be made available at <http://www.health.state.mn.us/divs/hpsc/mcs/>.

The Departments request that health carriers consider the following when submitting filings:

General

- Please do not submit zipped documents. Once filings have been approved, the public cannot access or open zipped documents. If the document is too large to be unzipped, please contact the Department of Commerce or Department of Health for further guidance.

Rates

- Please submit only one non-grandfathered major medical new business rate filing and one binder filing per carrier per market. Renewal rates may be filed separately and associated with the binder.
- Similarly, please submit only one stand-alone dental rate filing per carrier per market. The single rate filing should include all on-exchange and off-exchange plans, as well as plans with different networks or service areas.
- Only include rates that will be sold. In other words, please do not include rates in the Rate Data Template for geographic rating areas in which the plan will not be available.
- For health carriers filing SHOP quarterly rate increases, include rates for all four quarters on the Rate Data Template, with different effective dates. In addition, the URRT is now capable of handling quarterly index rate submissions for Small Group market single risk pools.

Forms

- A child-only plan that has identical benefits to a plan sold to adults and families should be filed as the same plan under the same plan ID number.

- Within form filings, please do not attach documents under the “Supporting Documentation” tab in SERFF as a way to link the documents to the binder.
- For the Administrative Data Template, Plan and Benefits Template, Prescription Drug Template, Network Template, Service Area Template, please upload the XML version of the template and not the Excel file.

Networks and Service Areas

- Health carriers that are currently offering QHPs on MNsure and that intend to create new networks must submit each new network to MDH for approval.
- New health carriers seeking to offer QHPs on MNsure will be required to submit each network to MDH for approval.
- Health carriers subject to section 62K.10 that do not wish to offer QHPs on MNsure are still required to submit each network to MDH for approval.
- HMOs and county-based purchasers will need to file each distinct provider network for review; networks that have not already been approved by network name and SERFF ID will need to be re-filed according to this process.
- Once networks are approved, all carriers will be required to submit a monthly listing of provider contract terminations.
- HMOs and county-based purchasers that have already received approval for service areas will have to resubmit service areas by network name and SERFF ID.
- Submission of service areas smaller than a full county is strongly discouraged and will require additional documentation.
- Detailed instructions for how to submit the initial networks for all carriers, how to report ongoing provider contract terminations, and how to submit partial county service areas will be posted at <http://www.health.state.mn.us/divs/hpsc/mcs/> by May 1, 2014.

III. Timing of Filings

The next open enrollment period is November 15, 2014 through February 15, 2015 for individual health plans with an effective date on or after January 1, 2015.

In accordance with the open enrollment dates set under the Affordable Care Act and to provide ample time for health carriers to analyze 2013 open enrollment data for product development and planning purposes, the submission date for filings will be approximately one month later in 2014 than in 2013. To ensure that the health plan companies have adequate time to work with the Departments to address any concerns during the review period and to allow for time for the QHP certification review to take place for applicable plans (including both medical and dental plans), health carriers should submit complete filings for those products via SERFF by June 27, 2014.

Health carriers wishing to offer small group market health plans through MNsure should also submit complete filings for those products via SERFF by June 27, 2014.

History

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Attachment A: 2015 Offering Requirements

Questions about this Bulletin should be directed to:

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